

LA05-376

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U.S. House of Representatives
Committee on Financial Services
 2129 Rayburn House Office Building
 Washington, DC 20515

December 15, 2005

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ROBERT U. FOSTER III
STAFF DIRECTOR

The Honorable Martin J. Gruenberg
 Acting Chairman
 Federal Deposit Insurance Corporation
 550 17th Street, NW
 Washington, DC 20429

Dear Chairman Gruenberg:

As concerned members of the House Committee on Financial Services, we urge the Federal Deposit Insurance Corporation to defer any decision on the application for federal deposit insurance filed by Wal-Mart Bank until the Board has its full complement of directors. This application is clearly of sufficient importance to require that it be made by the members of the FDIC Board itself and only by a full Board without vacancies. We ask for your commitment that the decision will be deferred at least until the Board is once again at full strength.

On September 23, 2005, Ranking Member Frank and Congressman Gillmor wrote to then-Chairman Powell urging the FDIC to hold public hearings on the application, and we renew that request today. While FDIC regulations in 12 CFR 303.10(c), appear to leave the determination of whether to hold public hearings to the discretion of the regional director, we urge that you exercise your authority as Chairman to require that public hearings be held on the Wal-Mart Bank application. As you know, this application has generated historic levels of interest, with the FDIC receiving more than 1000 written comments. We believe that the extensive number of comments received by the FDIC supports the need for public hearings, rather than be used as a reason why public hearings should not be held. The FDIC regulation states one of the grounds on which to hold public hearings is whether the hearings "would be in the public interest."

Given the reluctance of the FDIC to release additional information concerning the non-public portion of Wal-Mart Bank's business plan and given the numerous requests for public hearings that the FDIC has received, hearings would clearly be in the public's interest.

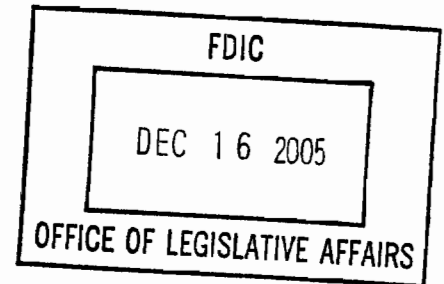
Sincerely,


 REP. PAUL E. GILLMOR

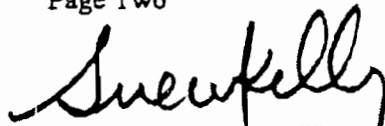

 REP. JAMES A. LEACH


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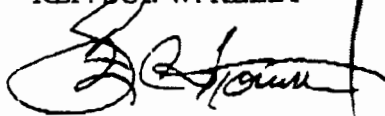

 REP. PAUL E. KANJORSKI



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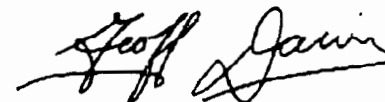
REP. CHRISTOPHER SHAYS




REP. MARY G. MILLER



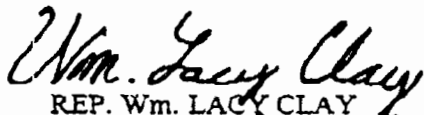
REP. KATHERINE HARRIS



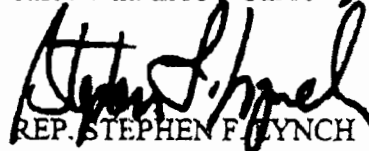
REP. GEOFF DAVIS



REP. BARBARA LEE



REP. WM. LACY CLAY



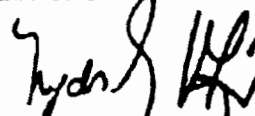
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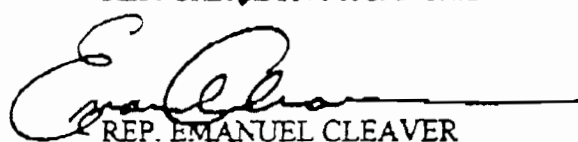
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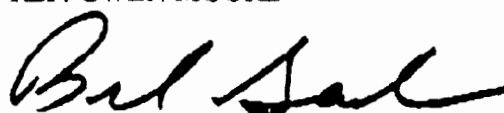
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